Transcom Communications, Inc. Ex.

STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

Transcom Communications, Inc.

Application for a

Certificate of

Interexchange Service

Authority to

Operate as a Reseller of

Telecommunications Services

Within the State of Illinois

Docket No. 03 046/

PREFILED DIRECT TESTIMONY

OF

RODAY TOLES

- 1. Q. Please state your name and business address.
 - A. Jeff Becker, 1925 W. John Carpenter Freeway, Suite 500, Irving, Texas 75063.
- 2. Q. By whom are you employed, and what is your position?
 - A. I am the Vice President of Operations and Finance of Transcom Communications,
 Inc..
- 3. Q. Please describe your management experience.
 - A. My management experience, as well as the other key members of Transcom

 Communications Inc.'s management team is set forth on Attachment C to our

 application.

OFFICIAL FILE

I.C. G DOCKET NO. 030461

Date 9/19/03 Reporter TR

1

- 4. Q. What is the purpose of your testimony?
 - A. The purpose of my testimony is to describe Transcom Communications, Inc.'s business and to demonstrate Transcom Communications, Inc.'s financial, technical and managerial ability to provide high quality, competitively priced, telecommunications services, and to describe how the company will provide its services to customers within the State of Illinois.
- 5. Q. Please describe Transcom Communications, Inc.'s business.
 - A. Transcom Communications, Inc. is a reseller of interexchange telecommunications services, and is requesting authority to provide such services from points of origin within the State of Illinois to points of destination within the State of Illinois. Transcom Communications, Inc. intends to provide interexchange services, such as outbound 1+ and 1010XXX dialing, toll-free service, postpaid calling cards, prepaid calling cards, and directory assistance. Transcom Communications, Inc. intends to market its telecommunications service primarily to residential customers and small to mid-sized business customers. Transcom Communications, Inc.'s prices for long distance service will be competitive with AT&T Communications of Illinois, Inc.'s prices.
- 6. Q. In what state is Transcom Communications, Inc. organized?
 - A. Texas. A copy of Transcom Communications, Inc.'s Certificate of Incorporation is provided in Attachment B to our application.

- 7. Q. Is Transcom Communications, Inc. certified to do business in Illinois?
 - A. Yes. A copy of Transcom Communications, Inc.'s qualification documents from the Secretary of state is provided in Attachment B to our application.
- 8. Q. Describe Transcom Communications, Inc.'s financial ability to provide the proposed services.
 - A. Copies of Transcom Communications, Inc.'s Balance Sheets as of December 31, 2002 and January 31, 2003, and Profit and Loss Statements from January through December 2002 and as of January 2003 are provided as Attachment D to our application. The company is profitable as shown on the financial exhibits, it is well funded, and intends to provide service by utilizing cash flow from operations, as well as contributions from its principals if required.
- 9. Q. Who are the officers of Transcom Communications, Inc.?
 - A. The current officers of Transcom Communications, Inc. are as follows:

REDIKY JOHES -Scott Birdwell

President

Birdwell Secretary/ [RIA:nRIR

Jeff Becke

Treasurer

- 10. Q. Describe Transcom Communications, Inc.'s management team.
 - A. Transcom Communications, Inc.'s management team is described on Attachment
 C to our application. As shown, our management team has many years'
 experience in the telecommunications industry.
- 11. Q. In your opinion, does Transcom Communications, Inc. have the financial and managerial resources necessary to provide the proposed telecommunications services in the State of Illinois?
 - A. Yes. In my opinion, Transcom Communications, Inc. has the necessary financial and managerial resources to provide the proposed telecommunications services in

the State of Illinois.

- 12. Q. Does Transcom Communications, Inc. intend to file a tariff in Illinois?
 - A. Yes. Transcom Communications, Inc. will file a tariff upon a grant of certification by the Illinois Commerce Commission.
- 13. Q. Would you describe the configuration of Transcom Communications, Inc.'s system and equipment.
 - A. Initially, Transcom Communications, Inc. will be a pure switchless reseller utilizing the equipment of and the service provided by a facilities based carrier. Originating calls from a customer are carried by the local exchange telephone company (LEC) to the LEC's end office or access tandem serving that customer. The LEC routes the calls to the underlying carrier for transmission. In the event that Transcom Communications, Inc. became a switched-based reseller, calls will then be routed from the LEC to Transcom Communications, Inc.'s switch through a Feature Group D access arrangement. The calls are then carried over leased facilities to the underlying carrier's switch. The switch routes the call to the point of termination. For call termination Transcom Communications, Inc. will initially rely upon the underlying carrier, and in the event that Transcom Communications, Inc. obtains a switch, call termination will rely upon the combined use of leased facilities (with Feature Group D access capability to the terminating LEC) and various virtual WATS products supplied by other interexchange carriers.
- 14. Q. When dialing out on a phone serviced by Transcom Communications, Inc., what number(s) does the end user dial in order to access Transcom Communications, Inc.?
 - A. The end user will dial 1 + or 101XXXX + area code and number.

- 15. Q. How is the end user billed?
 - A. For resold long distance telephone services, the end users will be billed directly by the company, which will utilize "real-time" completed call detail information from our underlying carriers.
- 16. Q. In your opinion, does Transcom Communications, Inc. have the technical ability and resources necessary to provide the proposed telecommunications services to customers in the State of Illinois?
 - A. Yes. In my opinion, Transcom Communications, Inc. has the necessary technical ability and resources to provide telecommunications service to customers within the State of Illinois.
- 17. Q. Are you familiar with the term slamming, and if so, what will your company do to prevent slamming?
 - A. Yes, I am familiar with the term and the meaning of slamming. Our company will take all necessary measures in order to prevent slamming, including attempting to get a signed letter of agency from all presubscribed customers prior to commencing service, and all marketing will be done in accordance with all applicable state and federal regulations.
- 13. Q. Are there any pending complaints against Transcom Communications, Inc. in any states where it is providing telecommunications services?
 - A. No.

- 19. Q. Is the company currently authorized to provide service in any other states.
 - A. Yes, the company is currently authorized to provide service in Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Hawaii, District of Columbia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Oregon, Pennsylvania, South Dakota, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyorning. No such applications have been denied.
- 20. Q. Please describe what services you intend to provide in the State of Illinois?
 - A. We intend to provide 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound service, travel cards, prepaid calling cards, and directory assistance. We do not intend to provide operator services.
- 21. Q. Will Transcom Communications, Inc. have any employees located in Illinois?
 - A. No.
- 22. Q. Does the company wish to keep its books and records at its principal place of business in Texas?
 - A. Yes.
- 23. Q. Does this conclude your testimony?
 - A. Yes.